S E C R E T

2 JUN 1986

MEMORANDUM FOR:  Chairman, SIG-I Working Group

FROM:  _____
       Director of Security

**OS REGISTRY** 25X1

SUBJECT:  Comments Regarding Draft Section **FILE**
          Presidential Report _____

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Our review of the management section of the draft report was conducted with some full knowledge that the restructuring of the SIG-1 system could make moot several substantial issues. Nonetheless, below are comments and concerns we have regarding the draft. The comments are keyed to the page numbers in referenced draft.

°  Page 1 - Application of management to the function of the National Security Council and direct tasking of the SIG-1 Staff by the NSC Staff, we believe, runs counter to the inherent authorities of line managers involved in the SiG-1 structure. Accordingly, we recommend revision of those aspects of the draft.

°  Page 4 - Second paragraph: We agree that some means short of an NSDD signed by the President is needed to promulgate policy statements of lesser significance and when full unanimity is present. Additionally, all proposed NSDD's should be channelled through the SIG-I system and be signed out by the Executive Secretary of the NSC as a means of providing oversight to the national policy structure.

°  Page 11 - We do not believe that there has been excessive fragmentation of R&D efforts, duplication of R&D activities, or insufficient sharing of R&D results in all security areas. For instance, there is considerable sharing of R&D in the TSCM area. This is done both through the TSCM subcommittee of SECOM and the R&D subcommittee of SECOM. There have also been joint R&D programs under the auspices of SECOM. Most recently, these have included an

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Both developments should lead to operational tools in the next year or two. We are also participating jointly with NSA in the development of a new                    At least in the TSCM area, we believe the most serious impact has been underfunding. In a way, this underfunding has caused Community elements to cooperate more fully to get the most mileage out of available funding.

° Pages 12 - 14 - We support the concept of executive agents for R&D, but not without concern. An overly centralized and inflexible R&D system would not serve the needs of the Government well. In the research area, particularly in addressing tough problems, it is sometimes productive to explore more than one technological approach. A little competition can often produce results. In the area of technical development, it is important to recognize what may be valid requirements for Agency unique needs. History is replete with examples of technical developments which failed because they tried to meet the needs of too many users. Executive agent developments should focus on those items which are truly of common concern.

Many of these qualifiers are specified in the first two paragraphs on page 12. The key to success will lie in how well each of the R&D programs is structured to respond to common needs and to give fair treatment to needs for independent R&D.

As an example, in the area of Polygraph R&D, CIA, while dwarfed in size by DOD, has the most comprehensive polygraph program in the government. CIA conducts full life style and counterintelligence polygraph examinations of all of our applicant candidates as well as conducting a unique operational polygraph program. Consequently, although not organizationally robust enough to want to take over executive agent responsibility for the entire government's polygraph program, we would want to retain independent research perogatives to address the unique scope and content of our polygraph needs.

With respect to Personnel Security R&D, our concern would be that research dealing with intelligence sources and methods, which come under the DCI's statutory authorities, would not be an appropriate purview for any executive agent other than CIA.

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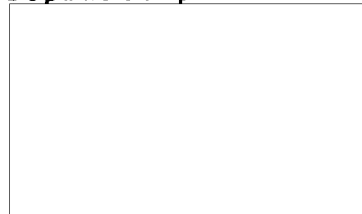
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SUBJECT:    Comments Regarding Draft Section VI.F.,
            Presidential Report

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